

Strategies to Expand Insurance Coverage for Adults Preliminary Findings for New York, Illinois, and Massachusetts

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Study Overview

- NY, IL, and MA have implemented reforms designed to expand health insurance coverage for adults
- This study: Evaluate the impacts of the reform efforts on insurance coverage
- Future work: Evaluate the of the reform efforts on access to care, use of care and affordability of care



The Health Reform Initiatives

- New York (2000)
 - Expansion of public coverage for lower-income adults; new premium support program for working adults
- Illinois (2002)
 - Expansion of public coverage for lower-income parents, with a premium assistance program option for some
- Massachusetts (2006)
 - Goal of near universal coverage for all adults, with expansion of public coverage, subsidized private coverage, purchasing pool, requirements for employers, and individual mandate, among other changes

Overview of Key Changes in Eligibility for Adults under the Health Reform Initiatives *

	NY	IL	MA
Parents			
Pre-reform			
Public coverage	<100% FPL	<39% FPL	<133% FPL
Premium assistance	--	--	<200% FPL
Post-reform			
Public coverage	<150% FPL	<185% FPL	<300% FPL
Premium assistance	<250% FPL		<300% FPL
Subsidized coverage	--	--	<300% FPL
Purchasing pool	--	--	>300% FPL
Childless Adults			
Pre-reform			
Public coverage	<~50% FPL	--	--
Premium assistance	--	--	<200% FPL
Post-reform			
Public coverage	<100% FPL	--	<300% FPL
Premium assistance	<250% FPL	--	<300% FPL
Subsidized coverage	--	--	<300% FPL
Purchasing pool	--	--	>300% FPL



Methods

- “Natural experiments” in the three study states
- Estimate difference-in-differences models
 - Use comparison groups to control for other changes (beyond health reform) over time
 - Include rich set of covariates to control for differences between study state samples and comparison groups
 - Use propensity score matching to reweight comparison groups to look like study state samples

Difference-in-Differences Model

$$Y = \beta_0 + \beta_1 \text{ StudyState} + \beta_2 \text{ Post} + \beta_3 \text{ StudyState} * \text{ Post} + \varepsilon$$

Time Period	Study State	Comparison Group
Pre-reform Period	$\beta_0 + \beta_1$	β_0
Post-reform Period	$\beta_0 + \beta_1 + \beta_2 + \beta_3$	$\beta_0 + \beta_2$
Pre-Post Difference	$\beta_2 + \beta_3$	β_2
Difference-in-Differences		β_3

Data

- Current Population Survey's Annual Social and Economic Supplement (CPS ASEC)
- Years: 1999 – 2007 (2000 – 2008 CPS)
- Sample: Adults ages 19 to 64
- Comparison groups: Higher-income adults in other large states in same region as study state
- Sample sizes:
 - Target populations: IL=2,903; MA = 2,228; NY= 15,405
 - Comparison groups ranged from 10,269 to 27,292



Estimation Issues

- Use SVY procedures in Stata to adjust for complex survey design of CPS
- Sensitivity analyses
 - Alternate comparison groups
 - Alternate pre-reform periods
 - With and without propensity score weighting
 - With and without non-citizens



Populations of Interest

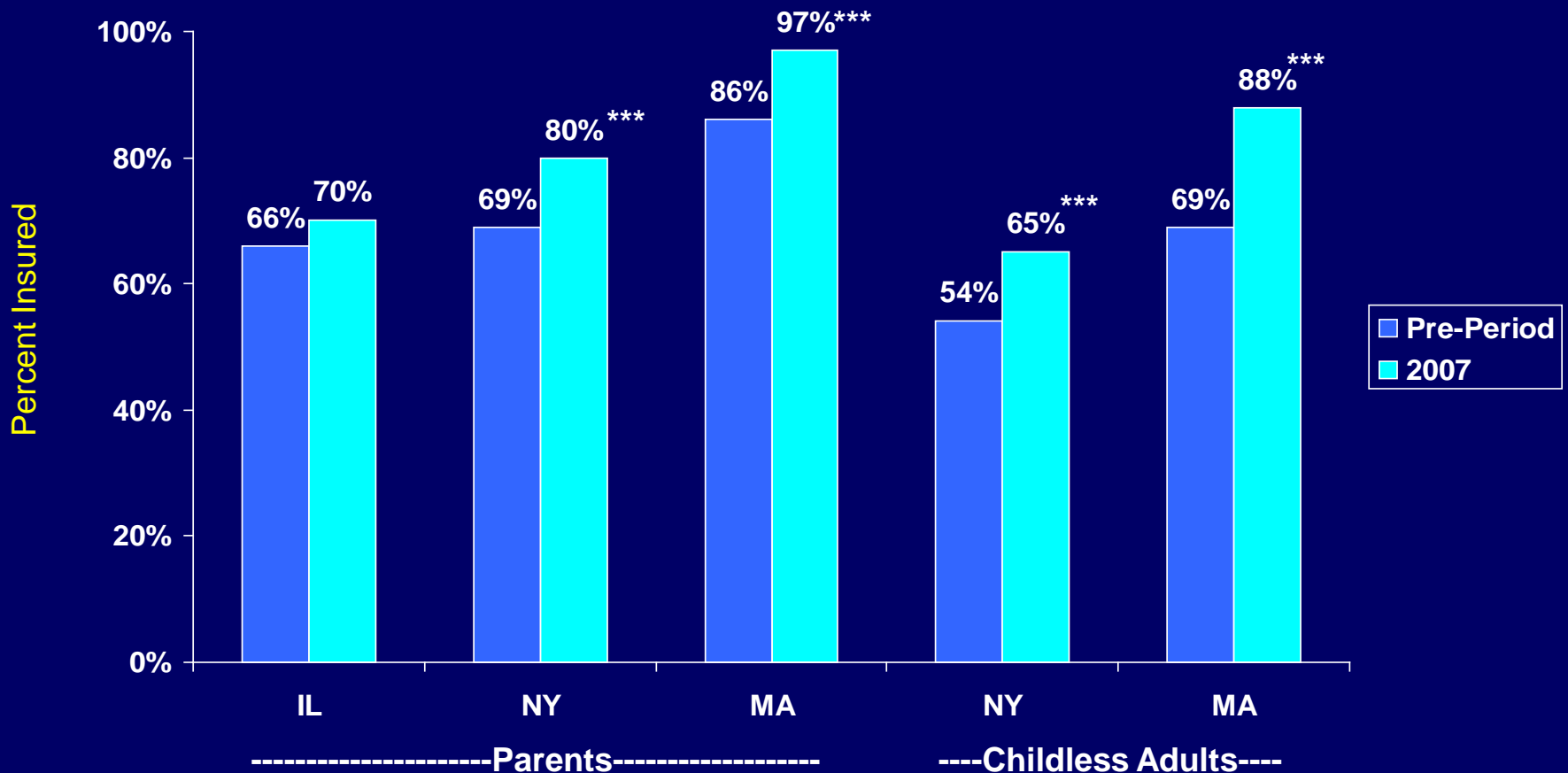
- Target populations for public and subsidized coverage expansions
- Overall and lower-income adult population



Estimates of Impacts for Target Populations for Public and Subsidized Coverage Expansions



Pre-Post Changes in Insurance Coverage for Target Populations as of 2007



* (**) (***) Pre-post change is significantly different from zero at the 10% (5%) (1%) level.



DD Estimates of Impacts for Target Population: Illinois

Target Population	Estimate
Parents <= 185% FPL	
Uninsured	-0.031
ESI	0.015
Public/Other Coverage	0.017

* (**) (***) Significantly different from zero at the 10% (5%) (1%) level.



DD Estimates of Impacts for Target Population: New York

Target Population	Estimate
<hr/>	
Parents <= 250% FPL	
Uninsured	-0.094***
ESI	0.042
Public/Other Coverage	0.052***
Childless Adults <= 250% FPL	
Uninsured	-0.136***
ESI	0.090***
Public/Other Coverage	0.046**

* (**) (***) Significantly different from zero at the 10% (5%) (1%) level.



DD Estimates of Impacts for Target Population: Massachusetts

Target Population	Estimate
Parents <= 300% FPL	
Uninsured	-0.108***
ESI	-0.007
Public/Other Coverage	0.115***
Childless Adults <= 300% FPL	
Uninsured	-0.214***
ESI	0.079**
Public/Other Coverage	0.135***

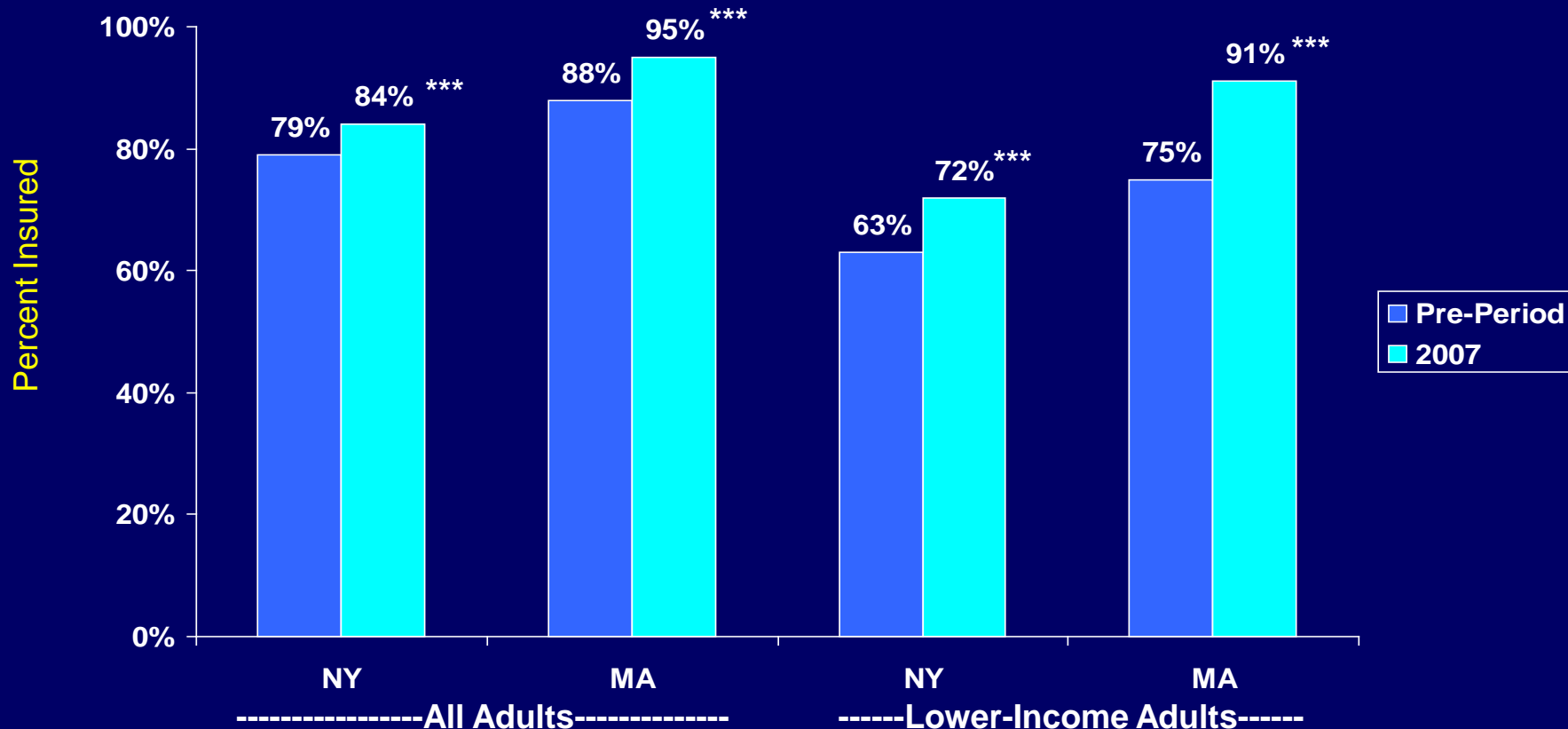
* (**) (***) Significantly different from zero at the 10% (5%) (1%) level.



Estimates of Impacts for Overall Population and Lower-income Population



Pre-Post Changes in Insurance Coverage for Adults as of 2007



* (**) (***) Pre-post change is significantly different from zero at the 10% (5%) (1%) level.



DD Estimates of Impacts for Total Population as of 2007

Population	NY	MA
All Adults		
Uninsured	-0.034 ^{***}	-0.066 ^{***}
ESI	0.018 [*]	0.031 [*]
Public/Other Coverage	0.016 ^{**}	0.035 ^{**}
Adults <= 300% FPL		
Uninsured	-0.080 ^{***}	-0.173 ^{***}
ESI	0.039 ^{**}	0.056 [*]
Public/Other Coverage	0.041 ^{***}	0.117 ^{***}

* (**) (***) Significantly different from zero at the 10% (5%) (1%) level.



Summary of Results

- Illinois
 - No increase in insurance coverage
- New York
 - Significant increase in insurance coverage, especially for lower-income adults and childless adults
 - No crowd-out of ESI
- Massachusetts
 - Significant increase in insurance coverage, especially for lower-income adults and childless adults
 - No crowd-out of ESI
 - Still in implementation phase of reform in 2007

Lessons for National Reform

- Illinois
 - Program design and implementation matter
- New York
 - Relatively modest expansions in eligibility for public coverage and reductions in the cost of private premiums can have an impact on coverage
- Massachusetts
 - More comprehensive reform efforts yield more substantial gains in coverage



Next Steps

- Add 2008 to the analysis when 2009 CPS data become available
- Examine impacts for different time periods to address the phasing in of health reform initiatives
- Examine impacts on access, use and affordability of care using the National Health Interview Survey when 2008 data become available